

IN THE SENATE OF THE UNITED STATES.

FEBRUARY 19, 1890.—Ordered to be printed.

Mr. FAULKNER, from the Committee on Claims, submitted the following

REPORT:

[To accompany bill S. 948.]

The Committee on Claims, to whom was referred the bill (S. 948) for the relief of Laban Heath & Co., of Boston, Mass., having carefully examined the same, respectfully report:

We adopt the report made by this committee during the first session of the Fiftieth Congress, and recommend the passage of the bill.

The bill passed the Senate last Congress.

[Senate Report No. 122, Fiftieth Congress, first session.]

The Committee on Claims, to whom was referred the bill (S. 903) for the relief of Laban Heath & Co., of Boston, Mass., have carefully examined the papers in the case and find the facts as set forth in Senate Report No. 1985 (second session Forty-ninth Congress) to be substantially correct. The committee is further of the opinion that no more meritorious claim has ever been before presented to Congress for its consideration and action than the one now presented. A larger amount has been reported heretofore in favor of the claimant than the committee deem it now to the interest of the claimant to ask Congress to appropriate. The items of this claim, which by this report the committee approve and indorse, present such a clear and unquestioned liability upon the part of the Government that no question, in the judgment of the committee, can be made by any one as to the liability resting upon the Government. The committee have concluded to report three items of liability, as follows:

Cash paid into the Treasury of the United States.....	\$9,219.48
Cash paid for paper on which the defective plates were printed.....	4,200.00
Cash paid for express and freight.....	201.83

Total 13,621.31

These three items embrace cash actually paid into the Treasury of the United States by the claimant, all of which was a total loss to him by reason of the failure of the agents of the Government, under contract, to perform in a skillful manner the work which the Government had contracted to execute. This claim was unanimously passed by the committee and the Senate at the Fiftieth Congress.

The committee would recommend that Senate bill No. 903 be amended in lines 6 and 7 by striking out the words "forty-nine thousand six hundred and forty-one dollars and twenty-seven cents," and inserting in lieu thereof the words "thirteen thousand six hundred and twenty-one dollars and thirty-one cents," and, as amended, would report the bill favorably, and recommend its passage.

The following is the report made to the second session of the Forty-ninth Congress, which the committee adopt and approve:

[Report Forty-ninth Congress.]

This is a claim against the United States for damages on account of the imperfect execution of certain impressions of United States bonds designed for illustrating a work to be issued by the claimants.

The facts in the case seem to clearly establish a valid claim against the Government, the amount of which, however, is not a matter easily determined,

A full history of the case will be found in the supplemental affidavit of Laban Heath, which will be printed in connection with this report.

The amount named in the bill is \$49,641.27; but it will be seen that the late Senator Caperton, of West Virginia, who seems to have given the case a most thorough examination, and to have eliminated from it all items that he regarded as in any way questionable, decided to advise the payment of the following:

Cash paid Treasury Department	\$9,219.48
Cash paid for paper upon which the defective plates were printed	4,200.00
Cash paid for printing coin plates	1,500.00
Cash paid for preparing designs, etc	500.00
Cash paid for printing letter-press	745.87
Cash paid for storage and insurance	1,000.00
Cash paid for express and freight	201.83
 Total	 17,367.18

Total

In view of the fact that a special committee appointed by the Treasury Department to examine the work reported that it was worthless, and recommended that it should be practically duplicated at the expense of the Government, which duplication the claimants were unable to secure because of a change in the laws which prohibited any private work being done in the Bureau of Printing and Engraving, your committee are of opinion that the Government is bound, in justice and equity, to reimburse them at least for the actual amount paid by them to the Government, and for the material destroyed by reason of the imperfect character of the work. We would, therefore, recommend that the items in the amount allowed by Senator Caperton for preparing designs (\$500), for storage and insurance (\$1,000), and for express and freight (\$201.83), be further stricken from the bill, and that the balance, amounting to \$15,664.51, be allowed, all of which items represent an actual cash outlay by the claimants for material furnished by them and for work done by the Government, vouchers for which are on file.

Your committee recommend that the bill be amended by striking out, in lines 6 and 7, the words "forty-nine thousand six hundred and forty-one dollars and twenty-seven cents," and substituting the words "fifteen thousand six hundred and sixty-four dollars and fifty-one cents;" and, as amended, recommend its passage.

Memorial of Laban Heath.

To the honorable Senate and House of Representatives of the United States:

The undersigned, your memorialist, respectfully represents, that he is a citizen of the State of Massachusetts, and a member of the firm of Laban, Heath & Co., doing business in the city of Boston, at No. 30 Hanover street; that since the year eighteen-hundred and sixty-four he has been engaged in publishing various books illustrated by cuts of bank notes, U. S. fractional currency, U. S. bonds, and the various gold and silver coins used by civilized nations; that in the years eighteen hundred and sixty-eight and sixty-nine authority was granted to the firm of Laban, Heath & Co. by the Treasury Department to have steel-plate copies, with segmental mutilations of the various issues of the United States bonds prepared at the Treasury Department to be used in printing plates upon thick plate paper to illustrate a large and expensive work, entitled "The American Bond Detector and Complete History of all the United States Government Securities;" that in pursuance of said authority from the Treasury Department twenty large and expensive steel plates were cut at the Engraving Bureau; and that during the years eighteen hundred and sixty-nine and seventy, two hundred and twenty thousand impressions were printed upon plate paper at the Printing Bureau of the Treasury Department, packed, shipped, and addressed to the firm of Laban Heath & Co., Boston, Massachusetts, for use in their before-mentioned work, and for which engraving and printing the said Laban Heath & Co. advanced and paid to the Treasury Department more than ten thousand dollars, and paid some six thousand dollars more for the plate paper thus used.

That during the years eighteen hundred and sixty-eight, sixty-nine, and seventy, the firm of Laban Heath & Co. expended large sums of money for collating and editing said history.

That they also expended the sum of two thousand dollars for one thousand copies of proof sheets, letter-press, and binding for the said work; also the sum of about two thousand dollars for coin-plates and illustrated impressions to illustrate said work; and that they employed the labor of two and three men a considerable portion of the time for two years in the preparation and publication of said Bond Detector.

That after the book was nearly ready for issue, or when the plates were unpacked

to be bound with the letter-press, they discovered that the impressions printed at the Treasury Department were imperfect, and to such an extent that scarcely any whole sets could be found suitable for illustrating their work upon which they had expended this large amount of labor and money.

That the firm of Laban Heath & Co. immediately notified the Printing Bureau of the Treasury Department of the defects in the work which had been performed at the Treasury Department, and requested that other and perfect plates be furnished them at once, in order that they might be able to place the work before the public. Owing to legislation which had intervened, forbidding the Department to perform work for private parties, the new and perfect plates were not furnished, and the publication and sale of the work has been thus delayed until the whole matter is rendered nearly useless.

Your memorialist would therefore respectfully and urgently request that an act may be passed whereby the firm of Laban Heath & Co. may be reimbursed, or that that may be allowed to go before the Court of Claims to recover for the great loss which they have sustained by reason of the payment of a large sum of money for material and labor in connection with said work, with interest, and for the further loss which they have sustained by reason of the defect in the impressions before referred to, which has deprived them of large profits, which would have accrued to them from the sales of their work, which loss and damages your memorialist is prepared to prove, by documentary and oral evidence, has been caused by the defective work executed at the Treasury Department.

For relief in the above premises, your memorialist, as in duty bound, will ever pray.

LABAN HEATH.

DECEMBER 7, 1874.

I hereby certify that the original of which the within is a true copy is in the possession of the Senate Committee on Claims.

W. B. FELLOWS,
Clerk Senate Committee on Claims.

MARCH 25, 1886.

Affidavit of Laban Heath.

DISTRICT OF COLUMBIA, *City of Washington:*

On this 8th day of May, 1876, personally appeared before me, a notary public in and for the District and city aforesaid, Laban Heath, who, being by me first duly sworn, doth depose and say that in the year 1866 I secured authority from the Secretary of the Treasury to use certain vignettes and dies from the plates used in printing the Government currency, to embellish and illustrate books which I had for several years been publishing to aid in the detection of counterfeit money; that thereafter, to wit, on the sixth day of October, 1868, the then Secretary of the Treasury, the Hon. Hugh McCulloch, gave his authority in writing to the Superintendent of the Bureau of Printing and Engraving of the Treasury Department, and directing that plates should be made from those upon which the bonds issued by the United States had been printed, and that impressions should be executed at the Treasury Department from the plates thus made to be used in a work which I was then preparing to publish, entitled "The American Bond Detector and Complete History of all United States Securities;" that in pursuance of this authority from the Secretary of the Treasury, I furnished several tons of thick white paper and arranged to have ten thousand sets of these impressions printed for use in the before-mentioned work; that thereafter I expended large sums of money in the preparation of the Bond Detector and caused to be paid to the Treasury Department other large sums of money for preparing plates and printing the before-mentioned ten thousand sets of impressions, which impressions were to be perfect and exact fac-similes of such portions of the U. S. bonds as I had ordered to embellish the Bond Detector; that said impressions were printed, packed, and shipped to my address at Boston, Mass., as perfect work, without any inspection on my part until after they had reached Boston; that when I came to open the cases containing the impressions thus executed at the Treasury Department, and for which I had caused to be paid the full price for perfect work, I found the impressions very imperfect and so notified the Treasury Department through N. G. Ordway, as will appear by his deposition in this case.

That thereafter, upon a more full and complete examination, I found nearly all of the impressions, or some in nearly all of the sets, entirely unfit for the use intended, whereby the publication of the American Bond Detector was stopped and all the materials which I had prepared and accumulated were rendered useless, thus entailing upon me a serious loss which has nearly ruined me financially, and for which damage

thus occasioned by the neglect of the Treasury Department to use proper ink in the printing and proper care in packing these impressions before they were properly dried, I present my bill of particulars and claim for damages, as set forth in an accompanying paper marked Exhibit G.

And I do further depose and say that the sums and items charged in said exhibit as paid by me, and the sums and items charged as having been paid by others for me, are just and correct, and that the sum charged as one-half of the probable profit or royalty upon the first edition of ten thousand copies of said work, provided the impressions executed by the Treasury Department to embellish and illustrate it had been perfect, would fall below the actual loss which I have sustained through the imperfect impressions executed at the Treasury Department, as before stated, according to my best knowledge and belief.

In support of the justice of my claim, as set forth in Exhibit G, I submit a copy of the order of the Secretary of the Treasury, dated October 6, 1868, marked Exhibit A, with accompanying papers referred to in said order; also affidavit of N. G. Ordway, marked Exhibit B; the written guaranty of said Ordway to the Treasury Department, marked Exhibit C; a copy of the report of a committee sent by the Treasury Department to Boston in July, 1873, to examine the defective impressions, marked Exhibit D; a statement of the disbursing officer of the Treasury Department, showing the amount of money paid by said Ordway under his guaranty on account of these defective impressions, together with packages of vouchers for money and labor expended, as set forth in the bill of particulars, numbering from 1 to 12, inclusive, and such other documentary evidence in support of my claim as I now have at hand.

LABAN HEATH.

Witness:

N. G. ORDWAY.

Subscribed and sworn to before me the day and date first written above.

[SEAL.]

R. B. NIXON,
Notary Public.

I certify that the original, of which the within is a true copy, is in the possession of the Senate Committee on Claims.

W. B. FELLOWS,
Clerk Senate Committee on Claims.

MARCH 25, 1886.

EXHIBIT B.

Affidavit of N. G. Ordway.

DISTRICT OF COLUMBIA, *City of Washington :*

On this 10th day of May, A. D. 1876, personally appeared before me, a notary public in and for the District and city aforesaid, N. G. Ordway, esq., who, being by me first duly sworn, doth depose and say, that in the month of February, 1869, at the request of Laban Heath, of Boston, Mass., I executed and signed a guarantee to the Treasury Department, as follows:

WASHINGTON, D. C., February 27, 1869.

I hereby agree to pay the charges upon the plates and devices printed by the Treasury Department for Laban Heath & Co., in accordance with the order of the Secretary of the Treasury allowing said work to be performed.

N. G. ORDWAY.

At the time the above guaranty was executed the said Heath was having plates prepared and impressions made at the United States Treasury Department to illustrate a work which he was preparing for publication entitled "The American Bond Detector and Complete History of all United States Securities."

That some time in May or June, 1869, I was notified that as a change was about to be made in the office of Secretary of the Treasury, that payment would be required for all work done for said Heath before the retiring Secretary, Hon. Hugh McCulloch, relinquished the office. The statement was also made that the impressions would be carefully packed and shipped to Mr. Heath's address, Boston; and in accordance with this request I made large payments to the Treasury Department upon bills rendered without having any opportunity to see and examine the work which had been performed by the Treasury Department under the order of the Secretary, fully believing that these impressions were perfect and suitable for illustrating the before-mentioned work.

That shortly thereafter I received notice from Mr. Heath that the boxes containing the impressions printed at the Treasury Department had been received at Boston, and that the cases containing them were apparently in good condition.

That shortly afterwards I received further advices from Mr. Heath that upon examining some of the impressions, in order to be used in the proof-sheets of the work, he had discovered that some of them were torn and mutilated, while others were badly executed, thus rendering them unfit for use in illustrating the bond detector. I immediately called at the Treasury Department, explained the nature of these defects, and asked if duplicates could not be supplied. A short time thereafter I received letters stating that upon a further examination of the impressions, nearly every package thus far opened seemed to be imperfect. I communicated Mr. Heath's statement to the Treasury Department, and asked that some one be detailed and sent to Boston to examine these impressions, as Heath had notified me that they were valueless for his work.

The officers of the Printing Bureau expressed to me their regret at the condition of the impression, but said that in the hurry incident to changes in the office of superintendent of the Printing and Engraving Bureau, and of Secretary of the Treasury, they had been packed and sent forward too green, and that they feared the ink used, which had been purchased by a former chief of the Bureau, was not of a suitable quality to produce perfect work.

While the question of duplicating these imperfect impressions was under consideration, an amendment was put upon the act appropriating money for the expense of the Printing Bureau, which prohibited the Treasury Department from performing any work for private parties. After the passage of this amendment, upon advice from the Treasury Department, Mr. Heath sought to secure an act allowing the printing of perfect impressions to be used in his counterfeit detector. A bill for this purpose was introduced in the House of Representatives by Hon. Samuel Hooper, chairman of the Committee on Banking and Currency, which bill received the sanction of that committee, and passed the House February 27, 1872. When the bill reached the Senate several members of the Finance Committee expressed a reluctance to reopening the Department for private work, as many abuses had crept in through other sources, but expressed the opinion that Mr. Heath was entitled to be reimbursed for the damages sustained in consequence of the defective impressions which the Treasury Department had been paid for executing.

All the officers of the Treasury Department and Printing Bureau, so far as I know, have always expressed the opinion that Mr. Heath ought to be reimbursed for the injury and loss sustained by reason of these imperfect impressions.

N. G. ORDWAY.

Subscribed and sworn to before me the day and date first above written.

[SEAL.]

R. B. NIXON,
Notary Public.

I hereby certify that the original, of which the within is a true copy, is in the possession of the Senate Committee on Claims.

W. B. FELLOWS,

Clerk Senate Committee on Claims.

MARCH 25, 1886.

Supplemental affidavit of Laban Heath.

DISTRICT OF COLUMBIA, *City of Washington, ss:*

On this tenth day of April, A. D. 1886, personally appeared before me, a notary public in and for the District and city aforesaid, Laban Heath, who, being by me first duly sworn, deposes and says:

I am a resident of the city of Boston, county of Suffolk, and State of Massachusetts, and am the Laban Heath referred to in the matter of the claim of Laban Heath, or Laban Heath and Company, against the United States, now pending before the Committees on Claims of the two houses of Congress, praying compensation for damages arising to me by virtue of certain defective printing of steel-plate illustrations of bonds and bond notes executed by the Treasury Department under a contract entered into in the year 1869, between the then Secretary of the Treasury, Hon. Hugh McCulloch, on the part of the Government, and myself. This affidavit is made as supplementary to and explanatory of my former affidavit of May 8, 1876, which last-mentioned affidavit is now on file with the Senate Committee on Claims, together with other papers in the case, and certified copies of which papers are now on file with the House Committee on Claims.

I do further depose and say that subsequent to the filing of my said claim with the Senate Committee on Claims, through a memorial presented to the United States Senate, accompanied with a bill of particulars and referred to said committee, and previous to any consideration of my claim by said committee, I stated to the chairman and other

members of said committee that as I had strong hopes that Congress would take some action to carry out the recommendation made by the investigating board sent to Boston by the Secretary of the Treasury to examine what they afterwards found and reported to be worthless work for the purposes ordered, and imperfectly executed for me by the Treasury Department, and for which the Treasury Department had received full compensation, which recommendations were, as appears from the papers in this case, that the Treasury Department should be authorized by Congress to duplicate for said Laban Heath or Laban Heath and Company, the original orders and insure perfect work for the same. I would not at that time urge an investigation of my claim for damages, nor would I file the necessary proof to substantiate the allegations as set forth in my memorial and bill of particulars then before the committee, until such time as Congress should act or refuse to act upon the recommendations made by the Treasury Department, as before mentioned.

I do further depose and say that subsequent to such conversations with the members of the Senate Committee on Claims, and before proof of my claim had been laid before the committee, and during my absence at my home in Boston, and without any knowledge on my part or any person representing me that my claim was being considered by the Senate Committee on Claims, the Senate records show that adverse action was taken upon my claim upon the recommendation of its Committee on Claims January 19, 1876; that upon receipt by me of such adverse action, through the clerk of said committee, I asked to have such adverse action of the Senate reconsidered and my claim referred to said Committee on Claims, which was done January 26, 1876; that I immediately thereafter collected and filed with the Senate Committee on Claims, of which at that time the Hon. A. T. Caperton was a member, the necessary proof to substantiate my said claim, and that during the months of May, June, and July, 1876, I had frequent interviews with Senator Caperton, to whom my claim was referred as a subcommittee of the Senate Committee on Claims, regarding my said claim, and that the said Senator Caperton in such interviews informed me that the before-mentioned adverse action of January 19, 1876, recommended by himself, would not have been taken by the committee had the case at that time been fully before the committee, and that as the result of a second, full, and thorough examination of the evidence then before the committee in support of said claim, a large proportion of which was new to himself and the other members of the committee, he had decided to report in favor of allowing the sum of seventeen thousand three hundred and sixty-seven dollars and ninety-nine cents (\$17,367.99), in full of all claims on my part against the Government, and on several occasions read and discussed with me a report with an accompanying bill which he said he had prepared on the subject, and of which report and bill the following, to the best of my knowledge and belief, are true and correct copies:

The Committee on Claims, to whom was recommitted the petition of Laban Heath, praying compensation for damages arising to him by reason of certain defective printing of steel-plate illustrations of bonds and bank notes, etc., by the Treasury Department, under contract made in 1869, make the following report:

This case was recommitted to your committee for the purpose of receiving additional testimony which was not before the committee when the original report in this case was made. The testimony has been finished, and is of such character as to materially alter the conclusions reached in the first instance, when there was no evidence at all before the committee except a memorial of the petitioner, and that was not verified by affidavit.

It appears from the papers filed in this case that on the 10th day of October, 1868, authority was granted Laban Heath & Co., of Boston, Mass., to have executed at the Treasury Department certain copies of the bonds of the United States Government, to be used in illustrating a work entitled "The American Bond Detector and Complete History of United States Securities." The letter of the Secretary of the Treasury concerning such illustrations is filed, and also an obligation, signed by N. G. Ordway, to pay to the Treasury Department the money charged by the said Department for the execution of the illustrations aforesaid. Mr. Ordway swears that he executed his obligation to the Treasury Department, and under that obligation paid several thousand dollars for the work issued by the Treasury Department.

Ordway also swears that before the work for which he had executed his promise to pay had been completed, and before any of it was shipped to Boston, he was notified that as there was to be a change in the office of Secretary of the Treasury, as also in the head of the Engraving and Printing Bureau, he would be required to pay for the printing of the illustrations as aforesaid, which he did, after having had an understanding with the officials of that bureau that they would execute and forward the work to Mr. Heath's address, in Boston, in good order and with promptness; that in accordance with said understanding with the Treasury Department and without having had an opportunity to examine the work before paying therefor, he paid for its

execution, believing there was no defect; that the work was packed and shipped to Boston, and upon its arrival was taken to the store-rooms of said Laban Heath & Co.; that when the packages were unpacked they were found to be defective, and he, being notified of the defects, notified the Department of the same; that he also swears that the officers of the Department expressed great regret at the condition of the illustrations, and said that they feared that in the hurry and bustle incident to a change in the Department they had been packed and sent forward too green, and that the ink which had been used, which had been purchased by a former chief of the Department, was not of such a character as to execute perfect work. It was proposed to duplicate the work as soon as possible, but while preparations were being made to do so, a law was passed which forbade the execution of private work by the Department.

A special act was then presented by the Hon. Samuel Hooper, chairman of the Committee on Banking and Currency of the House, permitting this work to be duplicated at the Treasury Department, but owing to an opposition in the Senate it was never acted upon.

After these plates had been found to be defective and worthless for the purpose of illustrating the work as proposed, a committee, consisting of Frederick A. Sawyer, Assistant Secretary of the Treasury, A. H. Cragin, Senator from New Hampshire, and two experts, were sent to Boston to examine the plates and report as to their condition, etc. The committee visited Boston, and on the 19th day of July, 1873, made the following report to the Secretary of the Treasury:

“WASHINGTON, D. C., July 29, 1873.

“The undersigned committee, appointed by the Secretary of the Treasury July 2, 1873, to examine a large number of impressions of counterfeit and genuine plates which were furnished by the Treasury Department in 1865 to Laban Heath and Company, of Boston, Mass., and to recommend what action shall be taken in relation to such impressions as were imperfect, have the honor to report:

“That on the 8th day of July, 1873, they visited the rooms of Laban Heath and Company, in Boston, and found the impressions in question, and on that and the two days succeeding they made the examination as required.

“The impressions were from twenty-two plates, and were designed by these parties to be bound in books to be used by banks, brokers, and merchants in detecting the counterfeits of United States notes, bonds, and currency, and the notes of national banks. They represent that the value of the publication depended principally upon the perfect character of the impressions of each plate, and that the general imperfection of the impressions of a single plate would so injure the work as to render its sale difficult, if not impossible. The committee examined packages taken at random, of the impressions taken from each plate, and in numbers sufficient to enable them to judge the general character of the work. The impressions from some plates were found, almost without exception, defective, the number of even fair ones being insignificant. Other sets of impressions were somewhat more uniformly better, though not good, and others were nearly all still better, but imperfect. No considerable portion of the work was free from blemish, and so great a portion was defective to a degree that would justify the parties in rejecting it altogether, as probably not a dozen respectable books could be made out of the whole number of impressions. The principal defect appeared to have been caused by laying the sheets together before the ink was dry, so that both the faces and backs were smirched and dirty, varying in degree according to the nature of the ink used. A few of the plates, however, made imperfect impressions.

“The committee are unanimously of the opinion that the character of the work would not justify binding and publication, and consequently was a total loss to Messrs. Laban Heath and Company.

“As the work was designed to detect counterfeits of issues now withdrawn, the supply of a new set of impressions would be of no value to the parties interested, and the committee therefore recommend that a statement of the facts shall be made to Congress and authority asked by the Department to execute for Messrs. Laban Heath & Co. impressions of the new issues to such an extent as will equitably remunerate them for the loss sustained by the worthless character of the former work.

“Respectfully submitted,

“FREDERICK A. SAWYER,
“A. H. CRAGIN,
“J. B. MANN,
“L. E. WALKER,

“Committee.

“Hon. W. A. RICHARDSON,
“Secretary of the Treasury.”

It is clearly shown by the papers in the case and from the report of the committee as aforesaid that there was a contract between said Laban Heath & Co. and the

Treasury Department for the execution of illustrations for the work aforesaid. The terms of the contract were that the work was to be issued by the Treasury Department of such a character as would be suitable for illustrating "The American Bond Detector and Complete History of United States Securities," and it seems to have been the understanding in the case that this work should have been of the very best and most perfect character, for such work only would have been of value for this purpose.

It appears from the vouchers filed in the case that N. G. Ordway paid for Laban Heath & Co. a large amount of money on account, with the understanding and expectation that the work was to be perfectly done and forwarded in a perfect manner.

The testimony is, by the affidavit of Mr. Ordway and Mr. Heath, as well as by the report of the committee sent by the Treasury Department to examine the plates, that the work was not well done, in accordance with the agreement of Ordway, but was absolutely worthless, on account of negligence in packing and defects in the work, for the purpose for which it was executed. It is therefore insisted that on account of the negligence of the Department in its failure to execute the work prepared, the said Laban Heath & Co. should recover from the Government damages for the failure to execute perfect work.

The petitioner files the following bill of particulars as his estimate of the money he should receive:

The United States to Laban Heath: For the following sums paid, for interest on the same, and for labor and services performed in the preparation and publication of a valuable work prepared under Heath's system of detecting counterfeit bonds and other evidences of debt issued by the United States, and entitled "The American Bond Detector and Complete History of Government Securities," which work was rendered valueless, and the material used in its preparation became useless, by reason of the imperfection of the impressions to illustrate said work executed by the Treasury Department, upon the order of the Secretary of the Treasury, for said Laban Heath, and for which said Heath paid to the United States, through the Treasury Department, the full price charged for executing perfect impressions, as will appear by the following account and schedule of vouchers:

Cash paid Treasury Department.....	\$5,219.48
Interest from date of payment, March 8, 1869, to March 8, 1876.....	2,192.18
Cash paid Treasury Department.....	4,000.00
Interest from date of payment, July 22, 1869, to March 8, 1876.....	1,589.33
Cash paid McFarland and Jenks for printing letter-press.....	745.87
Interest from September 25, 1869, to March 8, 1876.....	288.42
Cash paid Rice, Kendall & Co. for paper for impressions to illustrate the work	4,200.81
Interest from September 15, 1869, to March 8, 1876.....	1,632.00
Cash paid John P. Dale for services in preparing designs for plates, etc.....	500.00
Interest from May 1, 1870, to March 8, 1876.....	175.67
Cash paid Jacob Haehuler and others for preparing coin-plates and printing specimens to be used in Bond Detector.....	1,500.00
Interest on same from June 1, 1870, to March 8, 1876	519.50
For labor and cash paid for editing and preparing the Bond Detector for the press, reading proof, etc.....	3,000.00
Interest on same from September 25, 1869, to March 8, 1876.....	1,161.50
Cash paid for freight and express charges on paper from Boston to Washington and on defective impressions from Washington to Boston.....	250.00
Interest on same from July 25, 1870, to March 8, 1876.....	84.29
Cash paid for insurance and storage on paper and defective impressions.....	1,850.75
Average interest on same, three years.....	333.14
Cash paid for obtaining the opinions of prominent bankers in regard to Heath's system of detecting counterfeits and in advertising the bond book in the United States, Europe, and the British Provinces previous to its publication.....	2,000.00
Interest on same from July 1, 1871, to March 8, 1876.....	622.23
Expenses of twelve journeys, Boston to Washington and return, for the purpose of arranging designs of plates to be used in the bond book, in superintending the work, and presenting claims for damages by reason of the imperfections in the impressions to be used to illustrate the bond book	1,200.00
Average interest on same for three years.....	216.00
For one-half of the estimated profits or royalty on ten thousand copies of the Bond Detector, for which plates and illustrations were executed by the Treasury Department, and all other materials prepared by the said Heath	25,000.00
Total.....	59,641.27

A number of the items charged in the foregoing bill of particulars are not represented by vouchers or supported by affidavits, and therefore can not be allowed. Your committee, therefore, have stricken out a large number of items charged by the petitioner, including in every instance the charge for interest, and have reduced other items to such amounts as were necessary to make the charge conform to the vouchers filed in the case covering the actual payments made by the petitioner in the execution of the aforesaid work as shown by the vouchers presented, as follows:

Cash paid Treasury Department	\$ 9,219.48
Cash paid for paper upon which the defective plates were printed	4,200.00
Cash paid for printing coin plates	\$1,500.00
Cash paid for preparing designs, etc	500.00
Cash paid for printing letter-press	745.87
Cash paid for storage and insurance	1,000.00
Cash paid for express and freight	201.83
 Total	
	17,367.18

The claim of \$25,000 for one-half of the estimated profits on ten thousand copies of the Bond Detector and Complete History of United States Securities is disallowed, although there is some secondary proof that the charge was an equitable one, but the manner of ascertaining it and the fact that at best it can be only a matter of conjecture forbid its becoming a legitimate part of the claim.

The amount claimed by the petitioner in his bill of particulars is \$59,641.27, but the lack of proof of a large number of items and the striking out of the \$25,000 claim as estimated profits reduces the amount to \$17,367.99, which is the amount recommended for payment in full of all claims of the said Laban Heath & Co. against the United States in consequence of the loss sustained by the said Laban Heath & Co. by the imperfect illustrations furnished by the Treasury Department.

A BILL for the relief of Laban Heath & Co.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is hereby authorized and directed to pay to Laban Heath & Co., of Boston, Mass., out of any money in the Treasury not otherwise appropriated, the sum of \$17,367.99, which amount shall be in full of all claims of the said Laban Heath & Co. against the United States by reason of damages claimed by them on account of the imperfect execution of certain impressions of United States bonds designed for illustrating a work to be issued by the said Laban Heath & Co., called the "United States Bond Detector and Complete History of all United States Securities."

I do further depose and say that in reading and discussing the foregoing report, Senator Caperton also told me that he had stricken from my claim numerous items, which, perhaps, in equity should be allowed me, preferring that if any error should be made it should be in favor of the Government, and the award reported by him be such that no reasonable objection could be made thereto.

I do further depose and say that shortly after the preparation of such report by Senator Caperton, and before its presentation to the Senate, and before the session of Congress in December, 1876, the death of Senator Caperton occurred, and that shortly after the convening of Congress in December, 1876, to wit, on the 22d of December in the same year, the Committee on Claims reported my claim to the Senate adversely, basing their report, as I am informed and believe, upon the first report in the case, made by Senator Caperton January 19, 1876, and without an examination of the claim as it then existed, and in ignorance of the subsequent report of Senator Caperton, which appears above.

On the 29th of January, 1879, upon a statement of the facts as above set forth, my claim was again referred to the Senate Committee on Claims for a rehearing.

I do further depose and say that the original papers above referred to and herein alleged to be the report and bill prepared by Senator Caperton upon my said claim, has, to the best of my knowledge and belief, been since its preparation, and still is, in the custody of the Senate Committee on Claims, although, as I understand, at the time of the death of Senator Caperton, in 1876, it was locked up in his desk in the Senate Committee room on Claims, where it remained undiscovered until after the before-mentioned adverse action of the Senate Committee on Claims in the following December.

I do further depose and say that my only reason for not filing the necessary papers for substantiating my claim at the time of the introduction of my memorial in the Senate, December 7, 1874, or before May, 1876, was that at this time, and for a long time thereafter, I hoped and believed that Congress would authorize the carrying out of the recommendations made by the Treasury Department in this matter, viz, that

the Department be allowed to furnish me perfect work in place of the imperfect work delivered by them, and thus insure to me the large profits sure to accrue from the publication of my work, which the lowest estimate of disinterested parties fixed at not less than fifty thousand dollars (\$50,000).

Subscribed and sworn to before me this 12th day of April, 1886.
[SEAL.]

LABAN HEATH.

HENRY KOTTMAN,
Notary Public.